

FISCAL NOTE

SB 399 - HB 566

April 2, 2001

SUMMARY OF BILL:

1. Provides that:
 - no owner of a *newly constructed building* subject to this act shall charge individual dwelling units separately for water consumption by individual billing unless each unit has its own separate water meter to measure water usage.
 - no owner of an *existing building* subject to the provisions of this act with a master meter shall charge individual dwelling units separately for water consumption unless each residential unit has its own separate water meter, submetering equipment for each residential unit is provided, or a Ratio Utility Billing System is utilized to measure water usage.
2. Authorizes the Tennessee Regulatory Authority to examine billing procedures for accuracy, to require the submission of data on accuracy of submeters, and to require bills to be adjusted accordingly. The size, type and placement of all meters, other flow-measuring devices, and any applicable valves and shut-off may be specified by the TRA.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$46,800 - FY01-02
\$5,000 One-Time - FY01-02

Increase State Expenditures - \$46,800 - FY02-03
\$5,000 One-Time - FY02-03

Estimate assumes TRA would need one staff person in the first year and an additional person in the second year to enforce the provisions of the bill and respond to complaints.

For information purposes, the Department of Environment and Conservation has identified 106 apartment owners, who are currently submetering approximately 58,000 tenants. The Tennessee Housing and Development Agency estimates that there are 1.2 million apartments in the State of Tennessee.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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